



Rep. Linda Chapa LaVia

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LRB096 08475 DRJ 25014 a

1 AMENDMENT TO HOUSE BILL 976

2 AMENDMENT NO. _____. Amend House Bill 976, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Alternative Health Care Delivery Act is
6 amended by changing Sections 25 and 30 as follows:

7 (210 ILCS 3/25)

8 Sec. 25. Department responsibilities. The Department shall
9 have the responsibilities set forth in this Section.

10 (a) The Department shall adopt rules for each alternative
11 health care model authorized under this Act that shall include
12 but not be limited to the following:

13 (1) Further definition of the alternative health care
14 models.

15 (2) The definition and scope of the demonstration
16 program, including the implementation date and period of

1 operation, not to exceed 5 years.

2 (3) License application information required by the
3 Department.

4 (4) The care of patients in the alternative health care
5 models.

6 (5) Rights afforded to patients of the alternative
7 health care models.

8 (6) Physical plant requirements.

9 (7) License application and renewal fees, which may
10 cover the cost of administering the demonstration program.

11 (8) Information that may be necessary for the Board and
12 the Department to monitor and evaluate the alternative
13 health care model demonstration program.

14 (9) Administrative fines that may be assessed by the
15 Department for violations of this Act or the rules adopted
16 under this Act.

17 (b) The Department shall issue, renew, deny, suspend, or
18 revoke licenses for alternative health care models.

19 (c) The Department shall perform licensure inspections of
20 alternative health care models as deemed necessary by the
21 Department to ensure compliance with this Act or rules.

22 (d) The Department shall deposit application fees, renewal
23 fees, and fines into the Regulatory Evaluation and Basic
24 Enforcement Fund.

25 (e) The Department shall assist the Board in performing the
26 Board's responsibilities under this Act.

1 (f) (Blank). ~~The Department shall conduct a study to~~
2 ~~determine the feasibility, the potential risks and benefits to~~
3 ~~patients, and the potential effect on the health care delivery~~
4 ~~system of authorizing recovery care of nonsurgical patients in~~
5 ~~postsurgical recovery center demonstration models. The~~
6 ~~Department shall report the findings of the study to the~~
7 ~~General Assembly no later than November 1, 1998. The Director~~
8 ~~shall appoint an advisory committee with representation from~~
9 ~~the Illinois Hospital and Health Systems Association, the~~
10 ~~Illinois State Medical Society, and the Illinois Freestanding~~
11 ~~Surgery Center Association, a physician who is board certified~~
12 ~~in internal medicine, a consumer, and other representatives~~
13 ~~deemed appropriate by the Director. The advisory committee~~
14 ~~shall advise the Department as it carries out the study.~~

15 (g) (Blank). ~~Before November 1, 1998 the Department shall~~
16 ~~initiate a process to request public comments on how~~
17 ~~postsurgical recovery centers admitting nonsurgical patients~~
18 ~~should be regulated.~~

19 (Source: P.A. 90-600, eff. 6-25-98; 90-655, eff. 7-30-98.)

20 (210 ILCS 3/30)

21 Sec. 30. Demonstration program requirements. The
22 requirements set forth in this Section shall apply to
23 demonstration programs.

24 (a) There shall be no more than:

25 (i) 3 subacute care hospital alternative health care

1 models in the City of Chicago (one of which shall be
2 located on a designated site and shall have been licensed
3 as a hospital under the Illinois Hospital Licensing Act
4 within the 10 years immediately before the application for
5 a license);

6 (ii) 2 subacute care hospital alternative health care
7 models in the demonstration program for each of the
8 following areas:

9 (1) Cook County outside the City of Chicago.

10 (2) DuPage, Kane, Lake, McHenry, and Will
11 Counties.

12 (3) Municipalities with a population greater than
13 50,000 not located in the areas described in item (i)
14 of subsection (a) and paragraphs (1) and (2) of item
15 (ii) of subsection (a); and

16 (iii) 4 subacute care hospital alternative health care
17 models in the demonstration program for rural areas.

18 In selecting among applicants for these licenses in rural
19 areas, the Health Facilities Planning Board and the Department
20 shall give preference to hospitals that may be unable for
21 economic reasons to provide continued service to the community
22 in which they are located unless the hospital were to receive
23 an alternative health care model license.

24 (a-5) There shall be no more than the a total number of 12
25 postsurgical recovery care centers with a certificate of need
26 for beds as of January 1, 2008. ~~center alternative health care~~

1 ~~models in the demonstration program, located as follows:~~

2 ~~(1) Two in the City of Chicago.~~

3 ~~(2) Two in Cook County outside the City of Chicago. At~~
4 ~~least one of these shall be owned or operated by a hospital~~
5 ~~devoted exclusively to caring for children.~~

6 ~~(3) Two in Kane, Lake, and McHenry Counties.~~

7 ~~(4) Four in municipalities with a population of 50,000~~
8 ~~or more not located in the areas described in paragraphs~~
9 ~~(1), (2), and (3), 3 of which shall be owned or operated by~~
10 ~~hospitals, at least 2 of which shall be located in counties~~
11 ~~with a population of less than 175,000, according to the~~
12 ~~most recent decennial census for which data are available,~~
13 ~~and one of which shall be owned or operated by an~~
14 ~~ambulatory surgical treatment center.~~

15 ~~(5) Two in rural areas, both of which shall be owned or~~
16 ~~operated by hospitals.~~

17 ~~There shall be no postsurgical recovery care center~~
18 ~~alternative health care models located in counties with~~
19 ~~populations greater than 600,000 but less than 1,000,000. A~~
20 ~~proposed postsurgical recovery care center must be owned or~~
21 ~~operated by a hospital if it is to be located within, or will~~
22 ~~primarily serve the residents of, a health service area in~~
23 ~~which more than 60% of the gross patient revenue of the~~
24 ~~hospitals within that health service area are derived from~~
25 ~~Medicaid and Medicare, according to the most recently available~~
26 ~~calendar year data from the Illinois Health Care Cost~~

1 ~~Containment Council. Nothing in this paragraph shall preclude a~~
2 ~~hospital and an ambulatory surgical treatment center from~~
3 ~~forming a joint venture or developing a collaborative agreement~~
4 ~~to own or operate a postsurgical recovery care center.~~

5 (a-10) There shall be no more than a total of 8 children's
6 respite care center alternative health care models in the
7 demonstration program, which shall be located as follows:

8 (1) One in the City of Chicago.

9 (2) One in Cook County outside the City of Chicago.

10 (3) A total of 2 in the area comprised of DuPage, Kane,
11 Lake, McHenry, and Will counties.

12 (4) A total of 2 in municipalities with a population of
13 50,000 or more and not located in the areas described in
14 paragraphs (1), (2), or (3).

15 (5) A total of 2 in rural areas, as defined by the
16 Health Facilities Planning Board.

17 No more than one children's respite care model owned and
18 operated by a licensed skilled pediatric facility shall be
19 located in each of the areas designated in this subsection
20 (a-10).

21 (a-15) There shall be an authorized community-based
22 residential rehabilitation center alternative health care
23 model in the demonstration program. The community-based
24 residential rehabilitation center shall be located in the area
25 of Illinois south of Interstate Highway 70.

26 (a-20) There shall be an authorized Alzheimer's disease

1 management center alternative health care model in the
2 demonstration program. The Alzheimer's disease management
3 center shall be located in Will County, owned by a
4 not-for-profit entity, and endorsed by a resolution approved by
5 the county board before the effective date of this amendatory
6 Act of the 91st General Assembly.

7 (a-25) There shall be no more than 10 birth center
8 alternative health care models in the demonstration program,
9 located as follows:

10 (1) Four in the area comprising Cook, DuPage, Kane,
11 Lake, McHenry, and Will counties, one of which shall be
12 owned or operated by a hospital and one of which shall be
13 owned or operated by a federally qualified health center.

14 (2) Three in municipalities with a population of 50,000
15 or more not located in the area described in paragraph (1)
16 of this subsection, one of which shall be owned or operated
17 by a hospital and one of which shall be owned or operated
18 by a federally qualified health center.

19 (3) Three in rural areas, one of which shall be owned
20 or operated by a hospital and one of which shall be owned
21 or operated by a federally qualified health center.

22 The first 3 birth centers authorized to operate by the
23 Department shall be located in or predominantly serve the
24 residents of a health professional shortage area as determined
25 by the United States Department of Health and Human Services.
26 There shall be no more than 2 birth centers authorized to

1 operate in any single health planning area for obstetric
2 services as determined under the Illinois Health Facilities
3 Planning Act. If a birth center is located outside of a health
4 professional shortage area, (i) the birth center shall be
5 located in a health planning area with a demonstrated need for
6 obstetrical service beds, as determined by the Illinois Health
7 Facilities Planning Board or (ii) there must be a reduction in
8 the existing number of obstetrical service beds in the planning
9 area so that the establishment of the birth center does not
10 result in an increase in the total number of obstetrical
11 service beds in the health planning area.

12 (b) Alternative health care models, other than a model
13 authorized under subsection (a-20), shall obtain a certificate
14 of need from the Illinois Health Facilities Planning Board
15 under the Illinois Health Facilities Planning Act before
16 receiving a license by the Department. If, after obtaining its
17 initial certificate of need, an alternative health care
18 delivery model that is a community based residential
19 rehabilitation center seeks to increase the bed capacity of
20 that center, it must obtain a certificate of need from the
21 Illinois Health Facilities Planning Board before increasing
22 the bed capacity. Alternative health care models in medically
23 underserved areas shall receive priority in obtaining a
24 certificate of need.

25 (c) An alternative health care model license shall be
26 issued for a period of one year and shall be annually renewed

1 if the facility or program is in substantial compliance with
2 the Department's rules adopted under this Act. A licensed
3 alternative health care model that continues to be in
4 substantial compliance after the conclusion of the
5 demonstration program shall be eligible for annual renewals
6 unless and until a different licensure program for that type of
7 health care model is established by legislation, except that a
8 postsurgical recovery care center meeting the following
9 requirements may apply within 3 years after the effective date
10 of this amendatory Act of the 96th General Assembly for
11 licensure to operate as a hospital:

12 (1) The postsurgical recovery care center shall apply
13 to the Illinois Health Facilities Planning Board for a
14 Certificate of Need permit to discontinue the postsurgical
15 recovery care center and to establish a hospital.

16 (2) If the postsurgical recovery care center obtains a
17 Certificate of Need permit to operate as a hospital, it
18 shall apply for licensure as a hospital under the Hospital
19 Licensing Act and shall meet all statutory and regulatory
20 requirements of a hospital.

21 (3) After obtaining licensure as a hospital, any
22 license as an ambulatory surgical treatment center and any
23 license as a post-surgical recovery care center shall be
24 null and void.

25 (4) The former postsurgical recovery care center that
26 receives a hospital license must seek and maintain

1 certification under Titles XVIII and XIX of the federal
2 Social Security Act.

3 The Department may issue a provisional license to any
4 alternative health care model that does not substantially
5 comply with the provisions of this Act and the rules adopted
6 under this Act if (i) the Department finds that the alternative
7 health care model has undertaken changes and corrections which
8 upon completion will render the alternative health care model
9 in substantial compliance with this Act and rules and (ii) the
10 health and safety of the patients of the alternative health
11 care model will be protected during the period for which the
12 provisional license is issued. The Department shall advise the
13 licensee of the conditions under which the provisional license
14 is issued, including the manner in which the alternative health
15 care model fails to comply with the provisions of this Act and
16 rules, and the time within which the changes and corrections
17 necessary for the alternative health care model to
18 substantially comply with this Act and rules shall be
19 completed.

20 (d) Alternative health care models shall seek
21 certification under Titles XVIII and XIX of the federal Social
22 Security Act. In addition, alternative health care models shall
23 provide charitable care consistent with that provided by
24 comparable health care providers in the geographic area.

25 (d-5) The Department of Healthcare and Family Services
26 (formerly Illinois Department of Public Aid), in cooperation

1 with the Illinois Department of Public Health, shall develop
2 and implement a reimbursement methodology for all facilities
3 participating in the demonstration program. The Department of
4 Healthcare and Family Services shall keep a record of services
5 provided under the demonstration program to recipients of
6 medical assistance under the Illinois Public Aid Code and shall
7 submit an annual report of that information to the Illinois
8 Department of Public Health.

9 (e) Alternative health care models shall, to the extent
10 possible, link and integrate their services with nearby health
11 care facilities.

12 (f) Each alternative health care model shall implement a
13 quality assurance program with measurable benefits and at
14 reasonable cost.

15 (Source: P.A. 95-331, eff. 8-21-07; 95-445, eff. 1-1-08.)

16 (210 ILCS 3/35.1 rep.)

17 Section 10. The Alternative Health Care Delivery Act is
18 amended by repealing Section 35.1.

19 Section 99. Effective date. This Act takes effect upon
20 becoming law."